

SALE OF NATIONAL FOREST TIMBER WITHOUT  
ADVERTISEMENT

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SEPTEMBER 12 (legislative day, SEPTEMBER 4), 1951.—Ordered to be printed

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Mr. ELLENDER, from the Committee on Agriculture and Forestry,  
submitted the following

## REPORT

[To accompany S. 1517]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 1517) to amend the act of June 4, 1897, entitled "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-eight, and for other purposes", as amended, to enable the Secretary of Agriculture to sell without advertisement national forest timber in amounts not exceeding \$2,000 in appraised value, having considered same, report thereon with a recommendation that it do pass without amendment.

Under present law the Secretary of Agriculture has authority to sell without advertisement timber, cordwood, and other forest products from the national forests in amounts not exceeding \$500 in appraised value. This limitation was enacted in 1925 and since that time the average value of national forest timber has increased approximately 400 percent. S. 1517 would authorize the Secretary to sell amounts up to \$2,000 in appraised value without advertisement and with present prices for timber, the result would be that about the same amount of timber could be sold in this manner as was sold during the period immediately following the year 1925.

A report from the Department of Agriculture, dated August 1, 1951, and recommending enactment of the bill, is attached hereto as a part of this report.

DEPARTMENT OF AGRICULTURE  
*Washington 25, D. C., August 1, 1951.*

Hon. ALLEN J. ELLENDER,  
*Chairman, Committee on Agriculture and Forestry,  
United States Senate.*

DEAR SENATOR: Reference is made to your letter of May 23 which requests a report on S. 1517.

The purpose of S. 1517 is to increase the amount of national forest timber which may be sold without formal advertisement from \$500 to \$2,000. This

## 2 SALE OF NATIONAL FOREST TIMBER WITHOUT ADVERTISEMENT

increase in authorization to sell timber without published advertisement for 30 days will facilitate the work of the Forest Service and increase self-employment opportunities for those residing within or close to the national forest. The need for the legislation is due to the very large increases in the market value of stumpage during recent years.

S. 1517 would amend the act of June 4, 1897 (30 Stat. 35) which is the basic act under which national-forest timber is sold. The 1897 act provided that timber in amounts of not to exceed \$50 could be sold without the formal advertisement specified in the act. This amount was raised to \$100 by the act of June 6, 1900 (31 Stat. 661); it was raised to \$500 by the act of March 3, 1925 (43 Stat. 1132).

In 1925 the average value of national forest timber being cut was \$2.75 per thousand board feet. The stumpage values remained at approximately this level for the next 15 years. In 1940 the average value of national forest timber cut was \$2.76 per thousand board feet. Stumpage values began to rise during World War II and reached an average value for timber cut in 1947 of \$4.28 per thousand board feet. During the last 4 years average stumpage values have increased by more than \$1 per thousand board feet each year. The average value of timber cut in 1950 was \$8.77 and for fiscal year 1951 is estimated at \$10 per thousand board feet.

The average value per thousand board feet of national forest timber is now therefore almost four times what it was when the authorization to sell amounts up to \$500 without formal advertisement was fixed. S. 1517 would permit approximately the same volume of stumpage to be sold without advertisement as was provided when the authorization was first fixed at \$500 in 1925.

In many areas persons living within or close to the national forests obtain a portion of their livelihood by cutting small amounts of national forest timber. Such people produce fuel wood, fence posts, poles, pulpwood, and other similar products. Others have small sawmills which are operated intermittently to produce lumber for local markets.

Directly negotiated sales have proven to be the most suitable and efficient means to meet the timber needs of this class of purchasers. Until the rapid rise in stumpage values, it was possible to do so. Under present conditions the limit of \$500 on these transactions makes it impracticable to sell a full season's cut to these purchasers.

In the interest of giving these small purchasers more stability an increase in the authorization to make sales of timber without formal advertisement in amounts not to exceed \$2,000 is therefore desirable. These small independent purchasers are an important segment of the rural and forest economy in the vicinity of the national forests. Many of such purchasers are heads or members of families operating family farms. This Department is deeply concerned in measures to support family farm economy.

Because of the above-stated considerations this Department is glad to recommend enactment of the bill S. 1517.

The Bureau of the Budget advises that, from the standpoint of the program of the President, there is no objection to the submission of this report.

Sincerely yours,

K. T. HUTCHINSON,  
*Acting Secretary.*